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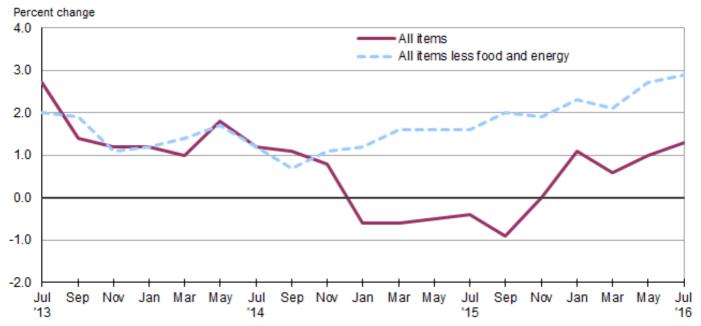
Incorrect prices for prescription drugs were used for the CPI-U and CPI-W indexes from May through August 2016 in a number of areas. Several indexes were affected, including the all items and medical care indexes. A list of the series affected can be found at www.bls.gov/bls/errata/cpi-price-corrections-10182016.htm, and the corrected data are available in the CPI database (www.bls.gov/cpi/data.htm).

# Consumer Price Index, Dallas-Fort Worth — July 2016 Area prices rise 0.4 percent in June and July; up 1.3 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) for Dallas-Fort Worth rose 0.4 percent in June and July, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Stanley W. Suchman noted that the advance was broad-based, but led by a 2.7-percent increase in energy costs. Food prices rose 0.5 percent during the period and the index for all items less food and energy edged up 0.1 percent. (Data in this report are not seasonally adjusted. Accordingly, bimonthly changes may reflect the impact of seasonal influences.)

During the year ended in July 2016, the all items CPI-U rose 1.3 percent. (See <u>chart 1</u> and <u>table 1</u>.) The index for all items less food and energy increased 2.9 percent during the latest period, marking the highest rate of increase since March 2009 (3.6 percent).

Chart 1. Over-the-year percent change in CPI-U, Dallas-Fort Worth, July 2013-July 2016



Source: U.S. Bureau of Labor Statistics.

#### Food

Food prices rose 0.5 percent in June and July, after registering no change in April and May. Among the two components of the index, prices for food at home (grocery stores) increased 0.8 percent, while prices for food away from home were little changed, edging up 0.1 percent.

From July 2015 to July 2016, food prices rose 1.3 percent, reflecting the combined effects of a 1.8-percent price rise for food away from home and a 0.7-percent increase for food at home.

# **Energy**

The energy index rose 2.7 percent in June and July, following a 5.9-percent increase in April and May. The current advance was the result of a 5.8-percent increase in household energy costs as higher prices were recorded for both natural gas and electricity, up 18.9 and 3.3 percent, respectively. Offsetting a portion of these advances, motor fuel costs decreased 0.5 percent during the two-month period.

During the year ended in July 2016, the energy index registered a 12.9-percent decrease. The leading factor in the decline was an 18.9-percent drop in motor fuel prices, though a 10.4-percent decrease in electricity costs also contributed. In contrast, natural gas prices increased 14.1 percent during the previous 12 months.

## All items less food and energy

The index for all items less food and energy was little changed in June and July, edging up 0.1 percent, as a result of offsetting movements among the index sub-components. The shelter index rose 0.7 percent as higher costs for both renters (1.7 percent) and homeowners (0.8 percent) were slowed by a decline in the cost of lodging away from home (hotel and motel charges). Medical care costs also increased, up 1.6 percent, as did prices for other goods and services, up 1.2 percent. Among the components helping to offset increases were lower prices for apparel (-6.0 percent) and airline fares.

From July 2015 to July 2016, the index for all items less food and energy advanced 2.9 percent. The largest contributor to the annual increase was a 4.8-percent rise in shelter costs. Within the shelter component, higher rates of increase for renters' costs (5.6 percent) and owners' equivalent rent (5.0 percent) were slowed by a decline in the cost of lodging away from home. Other important contributors to the annual increase included medical care (5.5 percent) and education and communication (2.7 percent). Countering a portion of these advances, apparel prices fell 2.8 percent over the year.

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The September 2016 Consumer Price Index for All Items for Dallas-Fort Worth is scheduled to be released Tuesday, October 18, 2016.

## **Technical Note**

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2)

a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details, see the CPI home page on the Internet at <a href="www.bls.gov/cpi">www.bls.gov/cpi</a> and the BLS Handbook of Methods, Chapter 17, *The Consumer Price Index*, available on the Internet at <a href="www.bls.gov/opub/hom/pdf/homch17.pdf">www.bls.gov/opub/hom/pdf/homch17.pdf</a>.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.

The Dallas-Fort Worth, Texas, Consolidated Metropolitan Statistical Area (CMSA) includes Collin, Dallas, Denton, Ellis, Henderson, Hood, Hunt, Johnson, Kaufman, Parker, Rockwall, and Tarrant Counties.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Dallas-Fort Worth, TX (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from -		
	May 2016	Jun. 2016	Jul. 2016	Jul. 2015	May 2016	Jun. 2016
All items	220.717	-	221.519	1.3	0.4	
All items (1967 = 100)	692.378	-	694.892			
Food and beverages	249.905	-	251.015	1.2	0.4	-
Food	244.476	-	245.646	1.3	0.5	-
Food at home	217.287	218.223	219.099	0.7	0.8	0.4
Food away from home	286.545	-	286.871	1.8	0.1	-
Alcoholic beverages	320.752	-	320.965	0.3	0.1	-
Housing	204.029	-	205.992	3.0	1.0	-
Shelter	223.471	224.901	225.099	4.8	0.7	0.1
Rent of primary residence (1)	232.543	234.814	236.465	5.6	1.7	0.7
Owners' equivalent rent of residences (1) (2)	239.480	240.995	241.280	5.0	0.8	0.1
Owners' equivalent rent of primary residence (1) (2)	239.480	240.995	241.280	5.0	0.8	0.1
Fuels and utilities.	213.808		222.600	-4.0	4.1	-
Household energy	194.814	200.936	206.024	-7.0	5.8	2.5
Energy services (1) (3)	191.777	197.850	202.896	-7.0	5.8	2.6
Electricity <sup>(1)</sup>	185.111	191.223	191.223	-10.4	3.3	0.0
Utility (piped) gas service (1)	180.352	184.779	214.506	14.1	18.9	16.1
Household furnishings and operations	125.061	104.773	123.745	-0.9	-1.1	10.1
Apparel	110.633		103.983	-2.8	-6.0	
Transportation	198.009	[]	196.853	-4.1	-0.6	
Private transportation.	198.358	-1	198.957	-4.1 -4.4	0.3	-
Motor fuel.	190.536	201.731	190.668	-18.9	-0.5	-5.5
Gasoline (all types).	190.876	201.731	189.714	-19.1	-0.5	-5.6
Gasoline (all types)	183.839	193.706	182.423	-19.8	-0.8	-5.8
Gasoline, unleaded regular Gasoline, unleaded midgrade (4) (5)	201.459	211.663	200.849	-18.0	-0.3	-5.1
Gasoline, unleaded mildgrade	206.688	216.327	206.694	-16.0	0.0	-4.5
Medical care	427.874	210.327	434.802	5.5	1.6	-4.5
Recreation (6)	113.674	[]	113.178	-0.3	-0.4	
Education and communication (6)	141.065	-	141.475	2.7	0.3	_
Other goods and services.	387.190	-	391.784	1.7	1.2	-
Commodity and service group						
Commodities	171.869	-	171.216	-2.2	-0.4	-
Commodities less food and beverages	136.882	-	135.692	-4.3	-0.9	-
Nondurables less food and beverages	163.334	-	163.086	-5.1	-0.2	-
Durables	113.598	-	111.735	-2.7	-1.6	-
Services	268.500	-	270.694	3.5	0.8	-
Special aggregate indexes						
All items less shelter	220.213	-	220.620	-0.3	0.2	-
All items less medical care	210.681	-	211.197	0.9	0.2	-
Commodities less food	141.576	-	140.408	-4.1	-0.8	-
Nondurables	202.621	-	202.959	-1.8	0.2	-
Nondurables less food	170.615	-	170.388	-4.8	-0.1	-
Services less rent of shelter (2)	332.452	-	335.467	2.1	0.9	-
Services less medical care services	252.468	-	254.676	3.4	0.9	-
Energy	194.706	202.790	200.039	-12.9	2.7	-1.4
All items less energy	226.910	-	227.328	2.7	0.2	-

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Dallas-Fort Worth, TX (1982-84=100 unless otherwise noted) - Continued

	Indoves			Percent change from -			
	May	Indexes Jun.	Jul.	Jul.	May	Jun.	
Item and Group	2016	2016	2016	2015	2016	2016	
All items less food and energy	223.979	-	224.285	2.9	0.1	-	

<sup>(1)</sup> This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

Note: Index applies to a month as a whole, not to any specific date.

<sup>(2)</sup> Indexes on a December 1982=100 base.

 $<sup>^{\</sup>left(3\right)}$  Prior to January 2011 this series was titled Gas (piped) and electricity.

<sup>(4)</sup> Special index based on a substantially smaller sample.
(5) Indexes on a December 1993=100 base.

<sup>(6)</sup> Indexes on a December 1997=100 base.